



Commonwealth of Virginia

Walter J. Kucharski, Auditor

**Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218**

March 6, 2002

The Honorable R. Bruce Long
Chief Judge
County of Charles City General District Court
PO Box 57
Courthouse
Charles City, VA 23030-0057

The Honorable I. H. Atlee
Chief Judge
County of Charles City Juvenile and
Domestic Relations District Court
PO Box 57
Courthouse
Charles City, VA 23030-0057

As part of our audit of the Virginia District Court System, we have audited the cash receipts and disbursements of the County of Charles City District Court for the period January 1, 2002 through December 31, 2002.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system. However, we noted weaknesses in internal controls and noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

Properly Assess Fines and Court Costs

The Clerk does not properly assess and enter fines and court costs in the Court's automated financial system. We noted assessment errors totaling \$1,756 in 14 of 20 cases tested. Errors included not assessing a drug offender fee when warranted, sometimes over assessing and other times not assessing a sentencing fee, and recording fines attributable to state offenses in local fines accounts. The Clerk needs to correctly and properly assess fees and costs in accordance with the Code of Virginia. Also, the Clerk should not record fines for state offenses in local fines accounts.

The Honorable R. Bruce Long
The Honorable I. H. Atlee
March 6, 2002
Page Two

Properly Account for Daily Overages and Shortages

The Clerk does not properly account for cash overages and shortages. When the cash register has an overage, the Clerk leaves the amount in the cash drawer until it nets to zero. When a register is short, the Clerk takes money from her personal funds and adds it to the deposit. The Financial Management Systems User's Guide requires the Clerk to record overages and shortages in the accounting system. Recording the overage and shortage in the system lets the Clerk monitor daily differences and take appropriate action to resolve any transaction errors. Further, the Clerk should not co-mingle her personal funds with court funds.

Terminate System Access Timely

The Clerk failed to request the Supreme Court discontinue a terminated employee's automated systems access until five months after the individual left the job. To help reduce the risk of unauthorized access to the Court's automated financial and case management systems, the Clerk should have an individual's access deleted immediately when no longer required.

We discussed these comments with the Clerk on March 6, 2003 and we acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK/cam

cc: The Honorable J.R. Zepkin, Judge
The Honorable James H. Smith, Judge
Edith K. Holmes, Clerk
Don Lucido, Director of Technical Assistance
Supreme Court of Virginia
LeAnn Lane, Court Analyst
Supreme Court of Virginia